of employment and confortable foreign exchange position, and in this background the projected fiscal deficit can be absorbed, if the existing growth momentum is maintained.

Implication of internal borrowings on the economy

3353. SHRIMATI MALTI SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that borrowings and other liabilities constitute 28 per cent of the total receipts and the interest liability thereon is 26 per cent;

(b) if so, the modalities framed to realise internal borrowings and the implications thereof on the economy as a whole; and

(c) whether Government propose to disinvest shares of more PSUs in near future, if so, the details thereof, undertaking-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) The borrowings and other liabilities constitute 31.5 per cent of the total receipts in Budget Estimate 1995.96 and the interest liability works out to 31.1 per cent thereof.

(b) Internal borrowings are proposed to be raised through market loans, small savings, Provident Fund, etc. As indicated in the Finance Minister's Budget Speech for 1995-96, the fiscal deficit of the order of Rs. 57634 crore in Budget Estimate 1995-96 can be absorbed if the existing growth momentum is maintained.

(c) Budget Estimate 1995-96 assumes a receipt of Rs. 7000 crore on account of disinvestment of equity holdings in Public Sector Enterprises. P.S.U.-wise details have not yet been finalised.

Chief Ministers going abroad and striking deals with foreign companies

3354. SHRI K.R. MALKANI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Chief Ministers are going abroad and are striking deals with foreign companies,

(b) whether they are not making financial and other commitments;

(c) how far Government of India is consulted by the respective, State Governments in this respect; and

(d) whether it amounts to diminution of Central powers with respect to Union List subjects like foreign trade, foreign exchange etc.?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (d) As a consequence of the reform process initiated in mid 1991, thers is a growing awareness at the level of the State Governments of the need to attract investment flows, both domestic and foreign, so as to bridge the savings-investment gap. As a natural consequence, State Governments have been engaging prospective investors in a dialogue. All foreign investment proposals ultimately require the approval of the Central Government or the RBI, as applicable, in conformity with the Industrial policy announcement and FERA Provisions and other mandatory approval requirements of the Central Government.

Tax dues against Harshad Mehta

3355. SHRI JAGESH DESRI: Will the Minister of FINANCE be pleased to satte:

(a) the total tax dues from the share-broker Shri Harshad Mehta till now in the security related scam case;

(b) the steps taken by Government to recover the same;

(c) what is the progress of investigation of the CBI in his case; and

(d) by when Government propose to take criminal action against him?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) The total tax dules outsanding as on 1.4.95

(In crores)

	Income-tax	Wealth-tax
(i) Shri Harshad Mehta	3647.93	103.99
(ii) All other group cases of Shri Harshad Mehta . . .	1991.36	66.54
TOTAL	5639.29	170.53

(b) Taxes are to be recovered from the Custodian under orders of the Special Court. Claim petitions have already been filed with the Special Court for and up to Assessment Year 1991-92 in regard to the release of funds from the assets available with the Custodian.

(c) Shri Harshed Mehta is involved in 13 Bank scam cases registered by the CBI. The position of the cases are:

(i) in 6 cases chargesheets have been filed and the cases are pending trial.

(ii) In 4 cases, sanction for prosecution is awaited and chargesheet will be filed after receipt of sanction order.

(iii) In 4 cases, investigation has been completed and the cases are under scrutiny in CBI, HO.

(iv) In 1 case, further investigation, ordered by the HO, is being attended by the Branch.

(v) In 3 cases, investigation is in progress.

(d) Under Income Tax proceedings, in these group of cases, 12 prosecutions have been launched u/s 276CC (1) and 17 prosecution u/s 276C(2)/276C(1)/ 277 of the Income-tax Act, 1961.

In so far as the proceedings being conducted by CBI are concerned, the position of the various cases have been indicated in reply to part (c).

Introduction of New Policies

3356. SHRI JAGESH DESAI: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to give a new thrust to the lebralised economic policies;

(b) if so, in which sectors the thrust is proposed to be given, and

(c) when the new policies are expected to be introduced in pursuance thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (c) The basic objective of the liberalised economic policies is to achieve a broad based, rapid and employment generating growth. The Government also recognises that the fruits of growth will take time to reach some of the poorest and weakest sections of our society. To ensure that they too derive benefit in the short run, the Government has given highest priority to strengthening programmes of rural development, employment generation, primary eduucation primary health and other key social sector programmes. These programmes, coupled with accelerated economic growth over the last three years, have already started to provide the